

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
2011 Electric Rate Increase
Application**

PU-10-657

**Northern States Power Company
2012 Electric Rate Increase
Application**

PU-11-55

**NOTICE OF HEARING,
NOTICE OF INTERVENTION DEADLINE, AND
NOTICE OF PUBLIC INPUT SESSIONS**

March 24, 2011

On December 20, 2010, Northern States Power Company (NSP) filed an application to increase its rates for electric utility service to provide additional 2011 test year annual revenue of \$19,773,000 or a 12.02% increase over current rates effective for electric service on and after January 19, 2011, case number PU-10-657. The 2011 proposed monthly increase for a residential customer using 750 kilowatt-hours in a winter month is \$7.08 and in a summer month is \$8.59.

On January 26, 2011, the Commission approved NSP's request for an interim rate increase based on the projected 2011 increase request. The interim rate increase of \$17,355,000, or 10.55% over current rates, became effective for electric service on and after February 18, 2011. NSP is required to refund interim rate amounts in excess of final rates approved by the Commission, including interest.

On February 8, 2011, NSP filed an application to increase its rates for electric utility service to provide additional 2012 test year annual revenue of \$4,226,000 or 2.57% effective for electric service on and after January 1, 2012, case number PU-11-55. The 2012 proposed monthly increase for a residential customer using 750 kilowatt-hours in a winter month is approximately \$1.75 and in a summer month is approximately \$2.00.

The combined effect of the 2011 and 2012 test year applications is a total request of \$23,999,000 or an overall increase of approximately 14.59%.

A public hearing on this matter will be held beginning August 9, 2011 at 8:30 a.m. CDT in the Commission Hearing Room, State Capitol, 12th Floor, Bismarck, North Dakota 58505. Issues to be considered in this matter are:

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- 29 PU-10-657 Filed 03/24/2011 Pages: 3
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Public Service Commission

1. What is the value of NSP's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is NSP's rate of return on its property, used and useful, for the service and convenience of the public in North Dakota?
3. What is a just and reasonable rate of return on NSP's property, used and useful, for the service and convenience of the public in North Dakota?
4. What rates and charges are necessary to provide a just and reasonable rate of return on NSP's property, used and useful, for the service and convenience of the public in North Dakota?
5. Are NSP's proposed rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without discrimination?
6. Other relevant information or proposals concerning the proceeding.

Public input sessions will be held via interactive television on **May 23 at 7:00 p.m. CDT** and on **May 24 at 12:00 p.m. CDT**. Members of the public are invited to appear and participate in the public input session at the locations set forth below.

State Capitol Commission Hearing Room 12th Floor Bismarck ND 58501	Minot State University Administration Room 359 500 University Ave W Minot ND 58707
University of North Dakota Abbott Hall Room 119 151 Cornell St Grand Forks ND 58202	North Dakota State University EML Hall 170 1600 University Dr N Fargo ND 58102

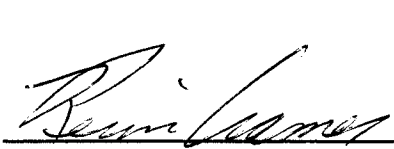
The public will also be able to hear the input session by connecting to the Commission's web site <http://www.nd.gov/psc> and then clicking on the link at the bottom of the home page that says Broadcast of Public Input Sessions over IVN. The Commission will receive e-mail questions during the session at ndpsc@nd.gov.

A public input session is not considered part of the technical hearing and the discussion at a session will not become part of the record evidence reviewed by the Commission in making its decision. The discussion will, however, aid the Commission and its staff in identifying areas of concern that may require further investigation.

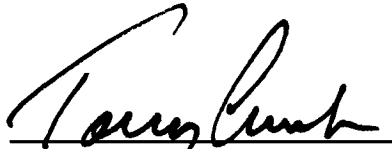
Anyone wishing to become a party to this proceeding must file a **Petition to Intervene by June 10, 2011**. A Petition to Intervene does not need to be filed to participate in Public Input Sessions.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or 877-245-6685 (toll free in North Dakota), or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission at least 24 hours in advance.

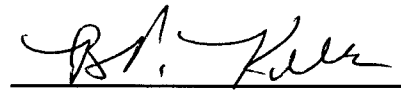
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